

**New England Water Works Association
Board of Directors Meeting Minutes
February 11, 2009**

The New England Water Works Association Board of Directors held a meeting on February 11, 2009 at the Holiday Inn By the Bay in Portland, Maine. President Patrick Connelly called the meeting to order at 8:35 a.m. Those present were Patrick Connelly, Christopher Woodcock, David Paris, Jim Marvel, Jim West, Kathy Pedersen, Robert Beurivage, Dave Polcari, Barbara Cook, Peter Pezanko, Craig Douglas, Ken Booth, Louis Schoolcraft, Dave Harris, Dave Kane, and Ray Raposa (ex-officio and non-voting). Deputy Executive Director, Ted Kenney and Kirsten King, Director of Communications, were also in attendance.

Item #1 – Minutes of December 17, 2008. Chris Woodcock motioned and Louis Schoolcraft seconded to accept the minutes of December 17, 2008 and confirm the amended minutes of November, 2008. Motion passed unanimously.

Item #2 – Treasurer’s Report. Kathy Pedersen presented the December 31, 2008 financial report. The income year-to-date is \$817,080 against expenses of \$999,510 for a loss of (\$182,430). This includes losses in the invested funds of (\$54,568) of Project 2005 funds, of (\$63,653) of un-invested investment funds, and (\$11,338) in scholarship funds. The adjusted number after investment loses are removed to year-to-date is a loss of (\$52,870).

The Investment Fund Statement was then reviewed for details. The worldwide economic troubles have impacted all of our funds.

Kathy added the Investment Committee recently met by conference call with the bank which included herself, Dave Kane, Jerry Mansfield, Alan Silbovitz, and Dave Russell. They agreed to continue to monitor the funds closely. The only change made was to the scholarship funds where they withdrew from any equity funds. The “range” in the policy is 0 to 30%, and we are now at 0% in equities in the scholarship funds.

The Summary of Funds showed the balances by account fund. The members discussed the current state of the funds. All parties were thanked for their diligent efforts to monitor our finances.

Have Paris motioned and Dave Polcari seconded to accept the Treasurer’s report and the financial report for December 2008. Motion passed.

Item #2C – Budget Draft Policy. Dave Kane added data on the rainy day funds total percentage. The numbers showed we are at the 45% level which presently is \$534,432.

It was agreed at the Executive Committee meeting that the balance should be a target. He asked for feedback on fully funding depreciation. Please send comments and questions to Dave Kane.

Dave Paris motioned and Dave Harris seconded to accept the Assistant Treasurer’s Report. Motion passed.

Item #3 – Old Business.

Item #3A – Ad-Hoc Committee on FY09 Finances and Recommendations. Pat Connelly provided background. He appointed this committee in November. He wants to be real direct to the Executive Director on any changes and how far we may go into reserves. He said we should pass it today and spend future time on the mission and objective of the association. The goal is to have a balanced budget if possible and be financially responsible in the use of reserved funds.

He recognized Kathy Pedersen as she has chaired to Ad-Hoc Committee. Kathy thanked the members of the committee and the staff for their hard work and detail of this tough assignment.

A written report was provided for everyone and Kathy reviewed it from the beginning. Page 1 showed the steps that were taken at the December meeting. These steps total \$23,900. It also listed triggers that will be monitored and used if needed.

The memo page 2 listed additional changes that have been identified. The list was reviewed item by item.

There was discussion on April Conference food reductions and on the cost of school materials. Staff will not purchase additional materials this year and will use what is on hand.

The April Conference sharing process with the state associations had a lengthy discussion. Everyone was concerned over impacts to these state groups.

The sharing was suggested to be cut in half from \$12,000 to \$6,000 instead of eliminating it.

Ray explained the formula and how it is given based on attendees from the addresses on record. Jim West said he did not feel it is fair to retroactively make cuts to the states. A few were fine with it versus if needed something such as a staff cut.

The discussion of the impacts was long. It was agreed this needed to be discussed with the states. Dave Polcari, as Massachusetts Director, volunteered to contact them.

It was agreed the item should be discussed. A review of the item can be done in May and re-evaluated based on the financial numbers at the time. The checks are never written until May after the conference report is complete.

The building depreciation line item was removed. The item was \$51,000. Fifteen thousand needs to be used, as it is approximately the amount of the principle payment for the building. It was agreed that depreciation should be paid if at all possible.

It was felt this depreciation item can be paid and determined at year end for any adjustments. The operating budget reductions should be done today to have effect.

Barbara Cook motioned and Chris Woodcock seconded to make all cuts noted in the February 6th memo.

There was a discussion about the cuts proposed on all viewpoints. The maker of the motion and the seconder withdrew their motion and everyone agreed with this action.

Chris and Jim West made a motion to reduce the sharing reduction for the April conference sharing from \$12,000 to \$6,000.

There was a discussion again on the impact to state associations and implementation options. There was a motion to call the question, which passed.

The amendment motion to change the spring conference sharing from \$12,000 to \$6,000 passed unanimously.

It was mentioned this can be discussed at the March 31st Regional Officers Meeting. It was felt this would allow time to talk with state associations.

The motion to approve all budget reductions listed on the memo dated February 6, 2009 from Kathy Pedersen (Attachment A) with only one change: the Spring Conference sharing reduction in the amendment from \$12,000 to \$6,000. Motion passed.

There was no other old Business.

Item #4 - New Business.

Item #4A – Assistant Treasurer Nomination process; Executive Committee recommendation:

Pat Connelly provided some background on what has been done and that the Executive Committee discussed it in January and has a recommendation.

The assistant treasurer is appointed by the full Board and serves a term concurrent with the treasurer. The treasurer has led a committee to nominate the assistant treasurer.

The recommendation is to use the present Executive Committee as an ad-hoc committee with the new treasurer as chair.

Dave Polcari motioned and Ken Booth seconded to approve the Executive Committee recommendation.

Executive Committee members are an Ad-Hoc Committee led by Treasurer and Assistant Treasurer to make a recommendation to the Board of Directors for Assistant Treasurer. Goal of selection process – transparent, fair and selection of a qualified individual. - Motion made by Beurivage, 2nd Cook – Begin the selection process for Asst Treasurer Candidates in July – August time frame when ballot is set for treasurer, selection process will be led by Treasurer, and committee will include current Assistant Treasurer, Standing Exec Committee and Executive Director. The Ad-hoc selection committee will make recommendation to the Board of Directors for the election. Motion passed the Executive Committee and is on the agenda for action by the Board of Directors.

Motion passed.

A brief discussion was raised about a “Conflict of Interest Policy.” Bob Beurivage commented on the policy from AWWA that Jim Marvel had mentioned. Jim said the AWWA Board has each board member sign a copy of the policy.

It was felt we should have the policy reviewed and brought back to the board to be adopted.

Pat Connelly sent this task to the Ad-Hoc Committee on Board Policy Manual and Orientation. An update and plan should be reported on at the next meeting.

Item #4B – NEWWA, Inc. Dues Review and Recommendation. It was reported as a budget review that an Inc. dues increase be adopted by the Board to keep the dues/assessments equal to section members. AWWA dues and assessments were increased by AWWA effective this past January 2009. It felt even as the times are difficult the two groups of members needed to be providing similar support. As the AWWA members fees went up last year the fees needed to be changed for the NEWWA, Inc membership groups.

Jim Marvel motioned and Dave Polcari seconded to approve the recommendation to increase the NEWWA, Inc. dues as follows:

Individual	Increase from \$85.00 to \$95.00
Retired	Increase from \$25.00 to \$25.00
Junior	Increase from \$25.00 to \$25.00
Utility <= 1,000	Increase from \$110.00 to \$120.00
Utility > 1,001 & < 5,000	Increase from \$185.00 to \$200.00
Utility > 5,001 & < 10,000	Increase from \$255.00 to \$275.00
Utility > 10,001 & < 25,000	Increase from \$315.00 to \$340.00
Utility > 25,001 & < 50,000	Increase from \$400.00 to \$425.00
Utility > 50,000	Increase from \$570.00 to \$600.00
Associate/Consultant < 3 million	Increase from \$320.00 to \$345.00
Associate/Consultant > 3 million	Increase from \$350.00 to \$385.00

Motion passed.

Item #4C – Chloramines and VT Legislation. Pat Connelly provided background. The same citizens groups that proposed legislation last year to the Senate are proposing a similar bill in the House. The proposed ban failed last year and a working group has been meeting. There was not satisfaction for all parties, so this new bill has been filed.

Ray has sent our testimony from last year to the House committee which is determining if they are going to take action.

It was discussed whether a workgroup from NEWWA should review Champlain's process and report if they are operating their plant in industry standards. There was a question if the sponsoring group would see us as a third party.

It was suggested we do a report on the process used by all New England utilities using monochloramines.

Dave Harris spoke in favor of our actions. He added the Champlain District is fighting this battle and there are other utilities in Vermont who are considering using the disinfectant. Others will not have the resources to fight the battle.

Ken Booth added his comments in favor of the actions.

Jim Marvel motioned and Dave Harris seconded to approach the two actions: to have a study on the Champlain process and to do a survey of utilities in New England using monochloramines. Motion passed.

Jim West did add that last year it was not a question from the group about Champlain's process. Bob Beaurivage agreed this is not a question of the process. The group is opposed to monochloramines use in a potable water system.

Chris said we should take the actions and share our results. Craig moved the question. Motion passed. Dave Paris will chair the workgroup.

There was no other New Business.

Item #5 – AWWA Update and the Director's Report. Jim Marvel reported that the January AWWA Board meeting just took place. He said Elisa Speranza is the new chair of the Water For People Board.

Joe Mantua, a member of the Chesapeake Section, was elected to be the next AWWA president-elect.

David Reckhow of the University of Massachusetts will get the best paper award for the Water Science and Research Division.

AWWA has been faced with similar budget revisions. They have cut two million in their annual conference. They are expecting a 10% to 15% reduction in the annual conference.

Jim spent time explaining the strategic planning process at AWWA. They presented it to the board and will soon ask for all sections to provide feedback.

Barbara Cook and Bob Beaurivage approved the AWWA Director's Report. Motion passed.

Item #5A - Jim Marvel is considering running for AWWA President-Elect. Jim feels the Strategic Planning process has showed a very positive direction. Jim feels he can take on this challenge and that there is positive movement.

Chris Woodcock motioned and Dave Harris seconded to support Jim Marvel in his candidacy for AWWA president-elect. Motion passed.

The election process formally begins in April with candidates giving a speech at the June Board of Directors meeting. There is a limit of four candidates.

Item #6 - Executive Director and Staff Reports. Ted reviewed the training and education programs. He gave highlights on the written report. He started by saying the Operator Examination Review courses are going well, and there have been an additional 10 registrations. There are 75 now and still time for others to register.

The Lab Symposium planning is going well. It will be on March 5th at the NEWWA headquarters. The Water Quality Symposium brochure is ready. It is going to press and will be mailed shortly. Rob Renner, the Executive Director of the AWWA Research Foundation will be the keynote presenter.

Contract Training. A list of programs for this year is in the written report. Ted reminded everyone last year was a record and some organizations did programs that are once every three years.

Drinking Water Centers. He pointed out that the Springfield Water and Wastewater Commission is ready to launch regular training this spring.

SRF/ERG Contracts. New Hampshire DES informed us they have decided to issue a new RFP for a two year program. This was good news, as the existing program is scheduled to be completed in June of 2009.

Kirsten followed with a report on the communication programs. Items are listed in the report. She pointed out that Journal advertising is going well. We are down two quarter page advertisers. We are still waiting to hear from nine others.

Kirsten reminded everyone that the Source newsletter will be twelve pages for the rest of the year as discussed earlier.

We are planning for the Web site's new revision. The cost is in the proposed FY2010 budget. Our contractor has agreed to do work once the budget is approved and will bill after July 1st.

Ray then reviewed public policy items. He pointed out Massachusetts Water Works Association has a workgroup reviewing Operator Examination preparation programs and the failure rate on the

examination. We are participating in the groups. We drafted new courses for the workgroup with Paul Riendeau doing the first draft.

The failure problem is occurring in many states as the ABC examination has changed in recent years and has more diversity of questions.

There were no questions.

The Facilities Committee is finalizing a new annual maintenance plan and will be ready soon.

Ray finished with a review of the membership numbers. We have lost five members in the past two months. The total membership stands at 2,903.

There were no questions.

Barbara Cook motioned and Louis Schoolcraft seconded to accept the Executive Director and Staff Reports. Motion passed.

Item #7 – Council Report. Pat Connelly reviewed the year's goals. He said we have done a good job on our budget review. We now need to get back to our work on goals. He asked for full reports at the March 31st board meeting.

Item #7C - Planning Committee and Sessions. Dave Paris said they are working on building this year's planning agenda on the work done over the past few years. He feels it is important that we stay current and do changes to stay relevant to all members.

He is planning to do the organizational development review with the same groups and tie the two processes together.

Dave said he is looking at the Public Forums that AWWA did, and he wants to discuss if we should do something similar.

Dave then went over all the discussions of the budget. The idea has come up to move the planning session to our Holliston facility. It will be less costly for the members and the association. He said it may make it possible for more utilities to attend.

Dave Paris motioned and Chris Woodcock seconded to move the Summer Planning Session to the Holliston headquarters.

It was recognized the flavor of the session will be different. We will need to work on this in planning for the meeting.

Motion passed.

Item #8 - Committee Reports.

Item #8A - Budget Sub-Committee. Chris reported we will be ready to bring the proposed FY2010 budget to the March 31st meeting.

He thanked the staff and members of the committee. It has been a year with challenges and everyone has done great work. The budget is being done with no increases other than the NEWWA, Inc dues increase discussed earlier at this meeting.

Item #8B - Executive Committee. Chris reported for Pat. He said the treasurer and staff is reviewing the financial information and is working on a proposal for the information the board needs.

Chris then reported there was a proposal brought to the joint meeting with NEWEA and NEAPWA by a member for research funding to area students. This would be an effort by NEWEA, NEWWA, and NEAPWA. It would provide four grants per year. The governing body would be six people; two from each organization.

This may be slowed down because of the present economic situation. No vote is pending at present.

Item #8C - Ad-Hoc Sustainability Committee. Chris Woodcock said that because of the time needed for the project and other items, he is stepping back. Ken Booth and Blake Martin will be the co-chairs of **Ad-Hoc Sustainability Committee** moving forward.

There is a draft mission statement, and they will have a proposal to discuss at the March regional meeting.

Jim West said the Maine Water Utilities Association is in favor of this project and with what he provided them.

Ken Booth has received a positive response from some in Rhode Island as well.

The committee's next meeting is on March 17th.

Item #8D - Joint Management Conference. Dave Polcari said the committee is going to have a conference call to discuss if the program should be postponed. The committee has a draft agenda and feels the program is strong.

He will report at a future meeting.

There were no other questions or business.

Barbara Cook motioned and Craig Douglas seconded to adjourn at 12:16 p.m. Motion passed.

Respectfully submitted,



Raymond J. Raposa,
New England Water Works Association
Executive Director and Corporate Clerk